

2018 President's Budget
Rural Business-Cooperative Service

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RURAL BUSINESS-COOPERATIVE SERVICE

Purpose Statement

USDA Rural Development's (RD) Business and Cooperative Programs provide loans, loan guarantees, grants, and payments designed to increase economic opportunity in rural America.

Authorization and Program Descriptions

Business and Industry Guaranteed Loan Program (B&I) – Authorized by section 310B of the Consolidated Farm and Rural Development Act, 7 U.S.C 1921. The guaranteed loan program supports financing for business and industrial acquisition, construction, conversion, enlargement, repair or modernization outside a town or city with a population of less than 50,000. Loan funds are used to finance the purchase and development of land, easements, rights-of-way, buildings, equipment, facilities, machinery, supplies and materials. Loan funds also pay startup costs and supply working capital. Sole proprietors, as well as public, private, or cooperative organizations, Indian tribes, and corporations are eligible.

Rural Business Development Grants (RBDG) – This grant program is designed to benefit small and emerging private businesses and cooperatives in rural areas by providing grant and technical assistance for economic and community development. This grant program will assist a wide range of recipients, including economic development organizations, business and community intermediaries, universities, and Indian tribes. This program awards funding where grantees encourage private sector growth.

The Agricultural Act of 2014, P.L. 113-79, consolidated the rural business enterprise grant (RBEG) and rural business opportunity grant (RBOG) programs under the RBDG.

Intermediary Relending Program (IRP) – Authorized by section 1323, Food Security Act of 1985. Revolving loan programs, such as the IRP, address the lack of available credit and financial market conditions, which exist in many rural communities, especially for smaller entities, service businesses and start-up activities. These conditions often limit the ability of rural economies to create jobs, enhance amenities, and increase incomes to enable rural families to prosper.

Rural Economic Development Loans and Grants (REDLG) – Authorized by section 313 Rural Electrification Act of 1936, as amended, 7 U.S.C. 940C. This program provides zero-interest loans and small grants to electric and telephone utilities financed by RD's utilities programs, which in turn use the funding to promote sustainable rural economic development and job creation projects and to capitalize revolving loan funds for economic development and job creation purposes.

Rural Business Investment Program (RBIP) – Authorized by section 6029 of the Farm Security and Rural Development Investments Act of 2002, P.L. 107-171 and reauthorized under the Agricultural Act of 2014, P.L. 113-79. RBIP is designed to promote economic development and create wealth and job opportunities among individuals living in rural areas and help meet the equity capital investment needs primarily of smaller enterprises located in such areas. Under the RBIP, for-profit Rural Business Investment Companies (RBIC) make venture capital investments in rural areas with the objectives of fostering economic development in such areas and returning maximum profits to the RBIC's investors.

Rural Energy for America Program (REAP) – Authorized by section 9007 of the 2002 Farm Bill, P.L. 107-171, as amended by the 2008 Farm Bill, P.L. 110-246, and the Agricultural Act of 2014, P.L. 113-79. Section 9007 guaranteed loan and grant programs help farmers, ranchers and rural small businesses purchase and install renewable energy systems and make energy efficiency improvements. Renewable energy projects benefit agricultural producers and rural small businesses with new and sustainable, income streams. Energy efficiency projects also reduce the cost of production and business operations. Grants, if funding is made available, may also be used for energy audits.

Rural Cooperative Development Grants (RCDG) – Authorized by section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)). RCDGs improve the economic condition of rural areas by promoting a range of cooperative development activities. Grants are made to nonprofit corporations and institutions of higher education to operate centers for cooperative development. The centers address rural economic problems in two ways. First, a center brings together expertise in cooperative development and cooperative business operations that would otherwise be more difficult to obtain. Second, these experts in cooperative development facilitate new cooperative businesses and improve the operations of existing cooperatives through technical assistance and educational programs.

Value-Added Agricultural Market Development Grant Program (VAPG) – Authorized by section 213 of the Agricultural Risk Protection Act of 2000, P.L. 106-224, as amended. Value-added agricultural market development grants enable producers of agricultural commodities to participate in the economic returns found in the value-added market. Grants may be used to develop business plans and develop strategies for creating marketing opportunities. Grants may also be used for feasibility studies and to provide capital to establish alliances or business ventures allowing producers to better compete in domestic and international markets.

Small, Socially Disadvantaged Producer Grants – Authorized by section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)). Grants to assist small, minority agricultural producers in rural areas provide funding for cooperative development centers, cooperatives or associations of cooperatives whose primary focus is to provide assistance to such producers, and whose governing board and /or membership is comprised of at least 75 percent socially disadvantaged members. Grants may be used for developing business plans, conducting feasibility studies, or developing marketing plans for farmers, ranchers, loggers, agricultural harvesters, and fishermen.

Cooperative Research Agreements – Authorized by the Cooperative Marketing Act of 1926, (7 U.S.C. 453). Cooperative agreements are used to encourage research on critical issues vital to the development and sustainability of cooperatives as a means of improving the quality of life in America's rural communities. Research proposals are solicited from institutions of higher education or nonprofit organizations interested in applying for competitively awarded cooperative agreements for research related to agricultural and nonagricultural cooperatives serving rural communities.

Cooperative Education and Research Program – Authorized by the Cooperative Marketing Act of 1926, (7 U.S.C. 453). The cooperative program conducts applied research on practical issues and problems facing cooperatives and disseminates information to farmers and the general public on dealing with these issues. A range of educational activities and materials are developed to increase public awareness of cooperative strategies that can increase rural economic activity. Research findings are disseminated through a range of publications, such as the Rural Cooperatives magazine, the Internet, and participation in a variety of research and professional organization events.

Technical Assistance to Cooperatives Program – Authorized by the Cooperative Marketing Act of 1926, (7 U.S.C. 453). The cooperative program is authorized to provide advice and assistance to existing cooperatives and groups of farmers contemplating the formation of cooperatives. Technical assistance is provided through a network of staff at the national and State offices. Technical assistance studies are provided at the request of a cooperative or steering committee at no fee and may cover a range of business operational, organizational, financial, or developmental topics and problems. Resources to support these important activities are provided from the general salaries and expense account appropriated to RD.

Appropriate Technology Transfer for Rural Areas (ATTRA) Program – Authorized by section 310(c) of the Consolidated Farm and Rural Development Act of 2008. ATTRA provides information to farmers and other rural users on a variety of sustainable agricultural practices that include both crop and livestock operations. The program encourages agricultural producers to adopt sustainable agricultural practices, which allow them to maintain or improve profits, produce high quality food and reduce adverse impacts to the environment.

Rural Microentrepreneur Assistance Program – Authorized under Section 379E(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s). The purpose of the program is to support the development and ongoing

success of rural microentrepreneurs and microenterprises. Direct loans and grants are provided to microentrepreneurs development organizations with the skills necessary to establish new rural microenterprises and continuing technical and financial assistance related to the successful operation of rural microenterprises.

Biorefinery Assistance Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79. The purpose of the section is to assist in the development of new and emerging technologies for the development of advanced biofuels. The program will increase energy independence, promote resource conservation, diversify markets for agricultural and forestry products, create jobs, and enhance economic development in rural economies.

Repowering Assistance Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79, the program directs the Secretary of Agriculture to provide financial incentives to biorefineries in existence on June 18, 2008 to replace the use of fossil fuels used to produce heat or power at their facilities by installing new systems that use renewable biomass, or to produce new energy from renewable biomass.

Bioenergy For Advanced Biofuels Program – Reauthorized under Title IX of the Agricultural Act of 2014, P.L. 113-79, the program directs the Secretary of Agriculture to make payments to eligible producers to support and ensure an expanding production of advanced biofuels. Advanced biofuels are defined as “fuel derived from renewable biomass other than corn kernel starch” in the 2008 Farm Bill. To receive a payment, an eligible producer shall enter into a contract with the Secretary of Agriculture for production of advanced biofuels.

Geographic dispersion of offices and employees:

Rural Development programs are administered by the three programs representing RD: Housing and Community Facilities, Utilities, Business and Cooperative Development. RD headquarters is located in Washington, DC. As of September 30, 2016, there were 4,702 permanent full-time employees, including 1,460 in the headquarters and 3,242 in the field offices.

OIG Reports – In Progress

- # 34601-006-AT – Rural Business-Cooperative Service Intermediary Relending Program
- # 34001-001-21-TE – Rural Energy for America Program
- # 34601-0001-31 – Rural Business-Cooperative Service Grant Program Duplication

GAO Reports – In Progress

No Reports open at this time.

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriation language for this item as follows (deleted matter enclosed in brackets):

Rural Business Program Account [Including transfer of funds]

[For the cost of loan guarantees and grants, for the rural business development programs authorized by section 310B and described in subsections (a), (c), (f) and (g) of section 310B of the Consolidated Farm and Rural Development Act, \$62,687,000, to remain available until expended: *Provided*, That of the amount appropriated under this heading, not to exceed \$500,000 shall be made available for one grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development and \$3,000,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 2009aa et seq.) for any Rural Community Advancement Program purpose as described in section 381E(d) of the Consolidated Farm and Rural Development Act, of which not more than 5 percent may be used for administrative expenses: *Provided further*, That \$4,000,000 of the amount appropriated under this heading shall be for business grants to benefit Federally Recognized Native American Tribes, including \$250,000 for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That for purposes of determining eligibility or level of program assistance the Secretary shall not include incarcerated prison populations: *Provided further*, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to funds made available under this heading.]

This change removes language for rural business programs which are not proposed in the 2018 budget.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

Lead-Off Tabular Statement

	Loan Level	Subsidy	Grants
Budget Estimate, 2018.....	-	-	-
2017 Annualized Continuing Resolution.....	\$927,578,000	\$35,619,000	\$26,949,000
Change in Appropriation.....	<u>-927,578,000</u>	<u>-35,619,000</u>	<u>-26,949,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

Program	2015 Actual	2016 Change	2017 Change	2018 Change	2018 President's Budget
Discretionary Appropriations:					
Business and industry (B&I) guaranteed loans.....	\$47,000	-\$11,313	-\$68	-\$35,619	-
Rural business development grants (RBDG).....	19,500	-	-37	-19,463	-
RBDG native American tribes.....	3,750	-	-7	-3,743	-
RBDG technical assistance transportation.....	500	-	-1	-499	-
RBDG native American tribes transportation.....	250	-	-0	-250	-
Delta regional authority grants.....	3,000	-	-6	-2,994	-
Total Discretionary Appropriations.....	<u>74,000</u>	<u>-11,313</u>	<u>-119</u>	<u>-62,568</u>	<u>-</u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program	Budget	Program	Budget	Program	Budget	Program	Budget	Program	Budget
	Level	Authority	Level	Authority	Level	Authority	Level	Authority	Level	Authority
Discretionary Appropriations:										
Business and industry (B&I) guaranteed loans.....	\$919,765	\$47,000	\$919,768	\$35,687	\$927,578	\$35,619	-\$927,578 (1)	-\$35,619 (4)	-	-
Rural business development grants (RBDG).....	19,500	19,500	19,500	19,500	19,463	19,463	-19,463 (2)	-19,463	-	-
RBDG native American tribes.....	3,750	3,750	3,750	3,750	3,743	3,743	-3,743 (2)	-3,743	-	-
RBDG technical assistance transportation.....	500	500	500	500	499	499	-499 (2)	-499	-	-
RBDG native American tribes transportation.....	250	250	250	250	250	250	-250 (2)	-250	-	-
Delta regional authority grants.....	3,000	3,000	3,000	3,000	2,994	2,994	-2,994 (3)	-2,994	-	-
Total Appropriation.....	946,765	74,000	946,768	62,687	954,527	62,568	-954,527	-62,568	-	-
Bal. Available, SOY.....	316,615	20,445	613,303	28,162	559,360	26,975	+14,836	-1,957	\$574,196	\$25,018
Recoveries, Other (Net).....	292,347	18,006	214,303	16,136	194,676	14,042	-12,858	-4,137	181,817	9,905
Total Available.....	1,555,728	112,451	1,774,374	106,985	1,708,563	103,585	-952,549	-68,662	756,013	34,923
Unobligated balances rescinded..... a/	-	-	-	-	-	-	-574,136	-25,000	-574,136	-25,000
Bal. Available, EOY.....	-480,781	-28,162	-450,355	-26,975	-573,363	-25,018	+391,486	+15,095	-181,877	-9,923
Total Obligations.....	1,074,947	84,289	1,324,019	80,010	1,135,199	78,567	-1,135,199	-78,567	-	-

a/ A rescission of unobligated balances in the amount of \$25,000,000 is proposed for this account in FY 2018.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

Project Statement
Obligations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority
Discretionary Obligations:										
Business and industry (B&I) guaranteed loans.....	\$1,044,113	\$53,354	\$1,285,121	\$48,739	\$1,098,828	\$42,195	-\$1,098,828 (1)	-\$42,195 (4)	-	-
B&I guaranteed NADBank loans.....	-	100	-	37	-	1	-	-1	-	-
Rural business development grants (RBDG).....	22,264	22,264	22,863	22,863	28,775	28,775	-28,775 (2)	-28,775	-	-
RBDG native American tribes.....	4,818	4,818	4,311	4,311	3,854	3,854	-3,854 (2)	-3,854	-	-
RBDG technical assistance transportation.....	502	502	500	500	499	499	-499 (2)	-499	-	-
RBDG native American tribes transportation.....	250	250	250	250	249	249	-249 (2)	-249	-	-
Delta regional authority grants.....	3,000	3,000	3,000	3,000	2,994	2,994	-2,994 (3)	-2,994	-	-
Subtotal.....	1,074,947	84,289	1,316,045	79,700	1,135,199	78,567	-1,135,199	-78,567	-	-
Supplemental Obligations:										
B&I 2008 Disasters guaranteed loans.....	-	-	7,974	309	-	-	-	-	-	-
Subtotal.....	-	-	7,974	309	-	-	-	-	-	-
Total Obligations.....	1,074,947	84,289	1,324,019	80,010	1,135,199	78,567	-1,135,199	-78,567	-	-
Unobligated balances, rescinded..... a/	-	-	-	-	-	-	+574,136	+25,000	\$574,136	\$25,000
Bal. Available, EOY.....	480,781	28,162	450,355	26,975	573,363	25,018	-391,486	-15,095	181,877	9,923
Total Available.....	1,555,728	112,451	1,774,374	106,985	1,708,563	103,585	-952,549	-68,662	756,013	34,923
Bal. Available, SOY.....	-316,615	-20,445	-613,303	-28,162	-559,360	-26,975	-14,836	+1,957	-574,196	-25,018
Other Adjustments (Net).....	-292,347	-18,006	-214,303	-16,136	-194,676	-14,042	+12,858	+4,137	-181,817	-9,905
Total Appropriation.....	946,765	74,000	946,768	62,687	954,527	62,568	-954,527	-62,568	-	-

a/ A rescission of unobligated balances in the amount of \$25,000,000 is proposed for this account in FY 2018.

Justification of Increases and Decreases

- (1) A decrease of \$927,578,000 for the rural business and industry guaranteed loans program (\$927,578,000 available in 2017).

The budget proposes to terminate this program. Applicants can access the private market to obtain financing for projects funded under this authority.

The budget includes a cancellation of \$25 million in unobligated balances from this account as part of a total cancellation of \$108 million from five Rural Development accounts.

- (2) An decrease of \$23,955,000 for rural business development grants (\$23,955,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated.

- (3) A decrease of \$2,994,000 for Delta Regional Authority grants (\$2,994,000 available in 2017).

No funding for this program is being requested in 2018. This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated.

- (4) An decrease of \$35,619,000 for the rural business and industry guaranteed loan subsidy (\$35,619,000 available in 2017).

The termination of the Business and Industry Loan Guaranteed Program results in a decrease of subsidy needed to support the operation of the program.

RURAL BUSINESS-COOPERATIVE SERVICE
 Guaranteed Business and Industry Loans
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	\$27,160	\$18,597	-	-
Alaska.....	24,503	19,430	-	-
Arizona.....	29,563	25,695	-	-
Arkansas.....	9,217	2,499	-	-
California.....	29,728	35,379	-	-
Colorado.....	1,771	37,691	-	-
Connecticut.....	6,000	2,224	-	-
Delaware.....	1,350	1,856	-	-
Florida.....	78,713	102,991	-	-
Georgia.....	22,525	47,457	-	-
Hawaii.....	7,500	6,486	-	-
Idaho.....	36,227	40,138	-	-
Illinois.....	6,048	432	-	-
Indiana.....	12,778	10,498	-	-
Iowa.....	45,969	46,278	-	-
Kansas.....	17,990	14,997	-	-
Kentucky.....	22,125	18,064	-	-
Louisiana.....	52,977	68,627	-	-
Maine.....	-	4,880	-	-
Maryland.....	3,268	430	-	-
Michigan.....	20,620	31,965	-	-
Minnesota.....	18,330	27,483	-	-
Mississippi.....	20,017	12,248	-	-
Missouri.....	62,635	46,533	-	-
Montana.....	16,640	10,500	-	-
Nebraska.....	8,957	31,223	-	-
Nevada.....	12,841	27,990	-	-
New Hampshire.....	2,000	5,000	-	-
New Jersey.....	10,000	-	-	-
New Mexico.....	8,429	14,123	-	-
New York.....	13,309	18,613	-	-
North Carolina.....	55,409	41,927	-	-
North Dakota.....	11,853	18,088	-	-
Ohio.....	34,957	44,707	-	-
Oklahoma.....	24,234	29,400	-	-
Oregon.....	65,426	86,287	-	-
Pennsylvania.....	25,760	26,410	-	-
South Carolina.....	14,883	47,279	-	-
South Dakota.....	1,239	50,897	-	-
Tennessee.....	27,079	20,642	-	-
Texas.....	35,000	48,356	-	-
Utah.....	22,639	23,741	-	-
Vermont.....	-	12,000	-	-
Virginia.....	16,802	46,492	-	-
Washington.....	20,535	20,180	-	-
West Virginia.....	12,051	6,340	-	-
Wisconsin.....	34,534	16,942	-	-
Wyoming.....	5,746	109	-	-
Guam.....	2,700	5,000	-	-
Puerto Rico.....	2,777	-	-	-
Virgin Islands.....	1,300	10,000	-	-
Undistributed.....	-	-	\$1,098,828 a/	-
Obligations.....	1,044,113	1,285,121	1,098,828	-

a/ Totals cannot be distributed at this time.

Guaranteed Business and Industry Loans - 2008 Disasters
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Louisiana.....	-	\$2,974	-	-
Oklahoma.....	-	\$5,000	-	-
Obligations.....	-	-	-	-

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Business Development Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	\$703	\$766	-	-
Alaska.....	130	138	-	-
Arizona.....	334	310	-	-
Arkansas.....	462	486	-	-
California.....	613	684	-	-
Colorado.....	246	269	-	-
Connecticut.....	159	147	-	-
Delaware.....	111	105	-	-
Florida.....	586	628	-	-
Georgia.....	832	899	-	-
Hawaii.....	113	101	-	-
Idaho.....	197	197	-	-
Illinois.....	462	431	-	-
Indiana.....	501	526	-	-
Iowa.....	336	300	-	-
Kansas.....	245	233	-	-
Kentucky.....	679	722	-	-
Louisiana.....	422	449	-	-
Maine.....	275	290	-	-
Maryland.....	214	221	-	-
Massachusetts.....	242	177	-	-
Michigan.....	785	834	-	-
Minnesota.....	391	400	-	-
Mississippi.....	534	636	-	-
Missouri.....	675	610	-	-
Montana.....	184	192	-	-
Nebraska.....	185	169	-	-
Nevada.....	148	88	-	-
New Hampshire.....	213	174	-	-
New Jersey.....	156	166	-	-
New Mexico.....	267	240	-	-
New York.....	1,076	1,171	-	-
North Carolina.....	859	932	-	-
North Dakota.....	613	613	-	-
Ohio.....	729	762	-	-
Oklahoma.....	406	432	-	-
Oregon.....	293	286	-	-
Pennsylvania.....	709	733	-	-
Rhode Island.....	83	84	-	-
South Carolina.....	620	668	-	-
South Dakota.....	156	208	-	-
Tennessee.....	733	784	-	-
Texas.....	871	932	-	-
Utah.....	134	129	-	-
Vermont.....	1,393	1,294	-	-
Virginia.....	607	596	-	-
Washington.....	323	375	-	-
West Virginia.....	356	380	-	-
Wisconsin.....	476	474	-	-
Wyoming.....	119	105	-	-
Puerto Rico.....	246	253	-	-
Other Countries.....	64	64	-	-
Undistributed.....	-	-	\$28,775 a/	-
Obligations.....	22,264	22,863	28,775	-

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Business Development Grants Native American Tribes
Geographic Breakdown of Obligations

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget
Alaska.....	\$288	-	-	-
Arizona.....	557	\$738	-	-
Arkansas.....	-	36	-	-
California.....	500	-	-	-
Hawaii.....	-	182	-	-
Idaho.....	268	-	-	-
Louisiana.....	-	100	-	-
Maine.....	-	123	-	-
Minnesota.....	341	97	-	-
Montana.....	-	736	-	-
Nebraska.....	181	170	-	-
Nevada.....	126	-	-	-
New Jersey.....	-	146	-	-
New Mexico.....	307	-	-	-
North Dakota.....	999	104	-	-
Ohio.....	-	400	-	-
Oklahoma.....	682	191	-	-
Oregon.....	261	-	-	-
Pennsylvania.....	-	99	-	-
South Carolina.....	-	200	-	-
South Dakota.....	100	688	-	-
Texas.....	-	177	-	-
Virginia.....	-	125	-	-
Washington.....	109	-	-	-
Wisconsin.....	99	-	-	-
Undistributed.....	-	-	\$3,854 a/	-
Obligations.....	4,818	4,311	3,854	-

RBDG Native American Tribes for Rural Transportation
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget
Maryland.....	\$250	\$250	-	-
Undistributed.....	-	-	\$249 a/	-
Obligations.....	250	250	249	-

RBDG Technical Assistance for Rural Transportation
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget
Maryland.....	\$502	\$500	-	-
Undistributed.....	-	-	\$499 a/	-
Obligations.....	502	500	499	-

Delta Regional Authority Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget
Mississippi.....	\$3,000	\$3,000	-	-
Undistributed.....	-	-	\$2,994 a/	-
Obligations.....	3,000	3,000	2,994	-

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2015	2016	2017	2018
	Actual	Actual	Estimate	President's
41.0 Grants, subsidies, and contributions.....	\$84,289	\$80,010	\$78,567	-
99.9 Total, new obligations.....	84,289	80,010	78,567	-

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriations language for this item as follows (deleted matter enclosed in brackets):

Intermediary Relending Program Fund Account [Including Transfer of Funds]

[For the principal amount of direct loans, as authorized by the Intermediary Relending Program Fund Account (7 U.S.C. 1936b), \$18,889,000.

For the cost of direct loans, \$5,217,000, as authorized by the Intermediary Relending Program Fund Account (7 U.S.C. 1936b), of which \$531,000 shall be available through June 30, 2016, for Federally Recognized Native American Tribes; and of which \$1,021,000 shall be available through June 30, 2016, for Mississippi Delta Region counties (as determined in accordance with Public Law 100-460):
Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, for administrative expenses to carry out the direct loan programs, \$4,468,000 shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses".]

This change removes language for intermediary relending program loans and administrative expenses which are not proposed in the budget.

RURAL BUSINESS-COOPERATIVE SERVICE

INTERMEDIARY RELENDING PROGRAM ACCOUNT

Lead-Off Tabular Statement

Budget Estimate, 2018.....	-
2017 Annualized Continuing Resolution.....	\$9,667,000
Change in Appropriation.....	<u><u>-9,667,000</u></u>

Summary of Increases and Decreases

(Dollars in thousands)

Program	2015 Actual	2015 Change	2016 Change	2017 Change	2018 President's Budget
Discretionary Appropriations:					
Intermediary Relending Program.....	\$5,818	-\$601	-\$10	-\$5,207	-
Administrative Expenses.....	4,439	+29	-8	-4,460	-
Total.....	<u>10,257</u>	<u>-572</u>	<u>-18</u>	<u>-9,667</u>	<u>-</u>

RURAL BUSINESS-COOPERATIVE SERVICE

INTERMEDIARY RELENDING PROGRAM ACCOUNT

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program	Budget	Program	Budget	Program	Budget	Program	Budget	Program	Budget
	Level	Authority	Level	Authority	Level	Authority	Level	Authority	Level	Authority
Discretionary Appropriations:										
Intermediary Relending Program.....	\$18,890	\$5,818	\$18,888	\$5,217	\$17,961	\$5,207	-\$17,961 (1)	-\$5,207 (2)	-	-
Administrative Expenses..... a/	-	4,439	-	4,468	-	4,460	-	-4,460	-	-
Total Appropriation.....	18,890	10,257	18,888	9,685	17,961	9,667	-17,961	-9,667	-	-
Total Available.....	18,890	10,257	18,888	9,685	17,961	9,667	-17,961	-9,667	-	-
Total Obligations.....	18,890	10,257	18,888	9,685	17,961	9,667	-17,961	-9,667	-	-

Project Statement
Obligations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program	Budget	Program	Budget	Program	Budget	Program	Budget	Program	Budget
	Level	Authority	Level	Authority	Level	Authority	Level	Authority	Level	Authority
Discretionary Obligations:										
Intermediary Relending Program.....	\$18,890	\$5,818	\$18,888	\$5,217	\$17,961	\$5,207	-\$17,961 (1)	-\$5,207 (2)	-	-
Administrative Expenses..... a/	-	4,439	-	4,468	-	4,460	-	-4,460	-	-
Total Obligations.....	18,890	10,257	18,888	9,685	17,961	9,667	-17,961	-9,667	-	-
Total Available.....	18,890	10,257	18,888	9,685	17,961	9,667	-17,961	-9,667	-	-
Total Appropriation.....	18,890	10,257	18,888	9,685	17,961	9,667	-17,961	-9,667	-	-

a/ In 2015, funding of \$4,439,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2016, funding of \$4,468,000 was appropriated and transferred to the Rural Development Salaries and Expenses account. In 2017, funding of \$4,460,000 is requested, and will be paid to the Rural Development Salaries and Expenses account.

Justification of Increases and Decreases

- (1) A decrease of \$17,961,000 for the intermediary relending loan program (\$17,961,000 available in 2017).

No funding for this program is being requested. This program has been deemed duplicative and overlaps with similar business development programs.

- (2) A decrease of \$5,207,000 for the intermediary relending program loan subsidy (\$5,207,000 available in 2017).

There is no loan subsidy requested for this program.

RURAL BUSINESS-COOPERATIVE SERVICE
 Intermediary Relending Program Loans
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Arizona.....	\$415	-	-	-
California.....	1,000	\$1,500	-	-
Colorado.....	1,000	950	-	-
Georgia.....	-	1,000	-	-
Illinois.....	1,000	-	-	-
Iowa.....	200	-	-	-
Kentucky.....	-	1,000	-	-
Maryland.....	992	-	-	-
Massachusetts.....	492	500	-	-
Mississippi.....	600	-	-	-
Missouri.....	1,649	425	-	-
Montana.....	852	1,500	-	-
Nebraska.....	-	500	-	-
New Hampshire.....	500	-	-	-
New Mexico.....	250	600	-	-
North Carolina.....	326	840	-	-
Oklahoma.....	-	1,500	-	-
Pennsylvania.....	2,174	500	-	-
South Carolina.....	400	-	-	-
South Dakota.....	3,553	2,000	-	-
Texas.....	1,000	500	-	-
Vermont.....	2,000	1,250	-	-
West Virginia.....	-	750	-	-
Puerto Rico.....	487	-	-	-
Undistributed.....	-	-	\$17,961 ^{a/}	-
Obligations.....	18,890	18,888	17,961	-

^{a/} Totals cannot be distributed at this time.

Classification by Objects
 (Dollars in thousands)

	2015	2016	2017	2018
	Actual	Actual	Estimate	President's Budget
25.0 Other purchases of goods and services				
from government accounts.....	\$4,439	\$4,468	\$4,460	-
41.0 Grants, subsidies, and contributions.....	5,818	5,217	5,207	-
99.9 Total, new obligations.....	10,257	9,685	9,667	-

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriations language for this item as follows (deleted matter enclosed in brackets):

Rural Economic Development Loans Program Account [Including Rescission of Funds]

[For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$33,077,000.

Of the funds derived from interest on the cushion of credit payments, as authorized by section 313 of the Rural Electrification Act of 1936, \$179,000,000 shall not be obligated and \$179,000,000 are rescinded.]

This change removes language for rural economic development loans which are not proposed in the budget.

RURAL BUSINESS-COOPERATIVE SERVICE
RURAL ECONOMIC DEVELOPMENT DIRECT LOANS

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority
Discretionary Appropriations:										
Rural economic development direct loans.....	-	-	-	-	-	-	-	-	-	-
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-
Bal. Available, SOY.....	\$7,986	\$1,020	\$4,258	\$570	\$3,056	\$435	+\$819	+\$33	\$3,875	\$468
Recoveries, Other (Net).....	4,465	570	8,581	1,149	4,069	579	+575	-18	4,644	561
Total Available.....	12,451	1,590	12,839	1,719	7,125	1,014	+1,394 (1)	+15 (2)	8,519	1,029
Bal. Available, EOY.....	-4,465	-570	-3,311	-443	-3,290	-468	-5,230 (1)	-561 (2)	-8,519	-1,029
Offsetting collections paid from rural economic development grants account..... <u>a/b/</u>	30,662	3,916	33,131	4,436	33,241	4,730	-33,241 (1)	-4,730 (2)	-	-
Total Obligations.....	38,648	4,935	42,659	5,712	37,077	5,276	-37,077	-5,276	-	-

Project Statement
Obligations Details
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority
Discretionary Obligations:										
Rural economic development direct loans.....	\$38,648	\$4,935	\$42,659	\$5,712	\$37,077	\$5,276	-\$37,077	-\$5,276	-	-
Total Obligations.....	38,648	4,935	42,659	5,712	37,077	5,276	-37,077	-5,276	-	-
Other Adjustments (Net).....	-4,465	-570	-8,581	-1,149	-4,069	-579	-575	+18	-\$4,644	-\$561
Bal. Available, EOY.....	4,465	570	3,311	443	3,290	468	+5,230	+561	8,519	1,029
Total Available.....	38,648	4,935	37,389	5,006	36,297	5,165	-32,422	-4,697	3,875	468
Bal. Available, SOY.....	-7,986	-1,020	-4,258	-570	-3,056	-435	-819	-33	-3,875	-468
Offsetting collections paid from rural economic development grants account..... <u>a/b/</u>	-30,662	-3,916	-33,131	-4,436	-33,241	-4,730	+33,241	+4,730	-	-
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-

a/ Program is funded by the cushion of credit account.

b/ Budget Authority includes \$308,347 from temporary 2015 sequestration funds, \$301,174 from temporary 2016 sequestration funds, and \$324,773 from temporary 2017 sequestration funds.

Justification of Increases or Decreases

- (1) A decrease of \$33,077,000 for the rural economic development loans (\$33,077,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.

- (2) A decrease of \$5,276,000 for the rural economic development loans subsidy \$5,276,000 available in 2017).

Funding for this program is terminated and there is no need for budget authority to support program operations.

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Economic Development Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	-	\$1,000	-	-
California.....	-	400	-	-
Colorado.....	-	600	-	-
Florida.....	-	1,600	-	-
Georgia.....	-	1,550	-	-
Illinois.....	\$2,550	1,770	-	-
Indiana.....	2,629	-	-	-
Iowa.....	8,080	4,780	-	-
Kansas.....	2,016	2,625	-	-
Kentucky.....	2,525	4,000	-	-
Minnesota.....	1,000	2,230	-	-
Mississippi.....	4,000	-	-	-
Missouri.....	3,000	3,700	-	-
Montana.....	-	1,000	-	-
North Carolina.....	3,645	3,824	-	-
North Dakota.....	-	3,000	-	-
Oklahoma.....	-	300	-	-
South Carolina.....	2,000	3,000	-	-
South Dakota.....	720	700	-	-
Tennessee.....	4,483	3,640	-	-
Texas.....	2,000	1,000	-	-
Wisconsin.....	-	390	-	-
Wyoming.....	-	1,550	-	-
Undistributed.....	-	-	\$37,077 ^{a/}	-
Obligations.....	<u>38,648</u>	<u>42,659</u>	<u>37,077</u>	-

^{a/} Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2015	2016	2017	2018
	Actual	Actual	Estimate	President's Budget
41.0 Grants, subsidies, and contributions.....	\$4,935	\$5,712	\$5,276	-
99.9 Total, new obligations.....	<u>4,935</u>	<u>5,712</u>	<u>5,276</u>	-

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ECONOMIC DEVELOPMENT GRANTS

Lead-Off Tabular Statement

Budget Estimate, 2018.....	-\$174,000,000
2017 Annualized Continuing Resolution	-162,000,000
Change in Appropriation.....	<u>-12,000,000</u>

Lead-Off Tabular Statement

(On basis of Funding)

Budget Estimate, 2018.....	-
2017 Annualized Continuing Resolution	\$11,172,000
Change in Funding.....	<u>-11,172,000</u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ECONOMIC DEVELOPMENT GRANTS

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	<u>2015 Actual</u> Amount	<u>2016 Actual</u> Amount	<u>2017 Estimate</u> Amount	<u>Inc. or Dec.</u> Amount	<u>2018 President's</u> <u>Budget</u> Amount
Discretionary Appropriations:					
Rescissions, Transfers, and Seq. (Net).....	-\$179,000	-\$179,000	-\$162,000	-\$12,000	-\$174,000
Total Appropriation.....	-179,000	-179,000	-162,000	-12,000	-174,000
Transfers In:					
Rural Electrification and Telecommunications Liquidating Account, Cushion of Credit..... a/	184,347	158,644	165,000	-9,000	156,000
Rural Electrification and Telecommunications electric underwriter loan fees.....	13,957	14,428	15,452	+155	15,607
Subtotal.....	198,304	173,072	180,452	-8,845	171,607
Rescissions, Transfers, and Seq. (Net).....	-179,000	-179,000	-162,000	-12,000	-174,000
Temporary Sequestration..... b/	-1,038	-1,117	-1,134	+1,134	-
Sequestration recovered.....	921	1,038	1,117	+16	1,134
Bal. Available, SOY.....	195,139	205,557	184,573	+2,834	187,406
Recoveries, Other (Net).....	300	343	300	-16	284
Total Available.....	214,626	199,893	203,309	-16,878	186,431
Bal. Available, EOY.....	-201,497	-184,573	-187,406	+976	-186,431
Offsetting collections paid to rura economic development program account.....	-3,916	-4,436	-4,730	+4,730	-
Total Obligations.....	9,213	10,884	11,172	-11,172 (1)	-

a/ Amounts represent earnings generated by the interest differential on voluntary cushion of credit payments made by Rural Utilities Service borrowers.

b/ Amounts represent temporary sequestration of the rural economic development loan subsidy and rural economic development grant funding.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ECONOMIC DEVELOPMENT GRANTS

Project Statement
Obligations Details
(Dollars in thousands)

Program	2015 Actual	2016 Actual	2017 Estimate	Inc. or Dec.	2018 President's
	Amount	Amount	Amount	Amount	Budget Amount
Discretionary Obligations:					
Rural economic development grants.....	\$9,213	\$10,884	\$11,172	-\$11,172 (1)	-
Another Program.....	-	-	-	-	-
Subtotal.....	9,213	10,884	11,172	-11,172	-
Total Obligations.....	9,213	10,884	11,172	-11,172	-
Recoveries, Other (Net).....	-300	-343	-300	+16	-284
Bal. Available, EOY.....	201,497	184,573	187,406	-976	186,431
Total Available.....	210,410	195,114	198,278	-12,132	186,147
Transfers In..... <u>a/</u>	-198,304	-173,072	-180,452	+8,845	-171,607
Bal. Available, SOY.....	-195,139	-205,557	-184,573	-2,834	-187,406
Temporary Sequestration..... <u>b/</u>	1,038	1,117	1,134	-1,134	-
Sequestration recovered.....	-921	-1,038	-1,117	-16	-1,134
Offsetting collections paid to rural economic development program account.....	3,916	4,436	4,730	-4,730	-
Total Appropriation.....	-179,000	-179,000	-162,000	-12,000	-174,000

a/ Amounts represent earnings generated by the interest differential on voluntary cushion of credit payments made by Rural Utilities Service borrowers.

b/ Amounts represent temporary sequestration of the rural economic development loan subsidy and rural economic development grant funding.

Justification of Increases and Decreases

- (1) A decrease of \$11,172,000 for rural economic development grants (\$11,172,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.

Summary of Proposed Legislation

Program: Cushion of Credit

Proposal: Eliminates interest accrual in the "cushion of credit" on future deposits made by rural electric and telecom borrowers. This proposal would amend 7 USC 940c to eliminate both the borrower's interest earnings on future deposits and the interest that is paid to the Rural Economic Development (RED) Grant account to pay for RED grants and loans.

Rationale: Rural electric and telecom cooperatives can find comparable investment options in the private sector

Goal: To eliminate duplication in the Federal government

Interest that is Paid to the RED Grant Account

	2017	2018	2019	2020	2021
Budget Authority	0	-\$6M	-\$154M	-\$158M	-\$159M
Outlays	0	-\$6M	-\$154M	-\$158M	-\$159M

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Economic Development Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	-	\$300	-	-
Delaware.....	\$300	-	-	-
Florida.....	-	300	-	-
Hawaii.....	-	600	-	-
Iowa.....	3,250	2,543	-	-
Minnesota.....	600	300	-	-
Nebraska.....	300	848	-	-
North Carolina.....	2,848	4,381	-	-
Ohio.....	-	200	-	-
South Carolina.....	-	300	-	-
South Dakota.....	1,615	1,112	-	-
Wisconsin.....	300	-	-	-
Undistributed.....	-	-	\$11,172 <u>a/</u>	-
Obligations.....	9,213	10,884	11,172	-

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2015	2016	2017	2018
	Actual	Actual	Estimate	President's Budget
41.0 Grants, subsidies, and contributions.....	\$9,213	\$10,884	\$11,172	-
99.9 Total, new obligations.....	9,213	10,884	11,172	-

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget		
	Program	Budget	Program	Budget	Program	Budget	Program	Budget	Program	Budget	
	Level	Authority	Level	Authority	Level	Authority	Level	Authority	Level	Authority	
Mandatory Appropriations:											
Microenterprise Loans.....	a/	\$5,855	\$750	\$6,169	\$699	\$5,631	\$698	+\$1,884	+\$52	\$7,515	\$750
Microenterprise Grants.....	a/	2,250	2,250	2,097	2,097	2,095	2,095	+155	+155	2,250	2,250
Subtotal.....		8,105	3,000	8,266	2,796	7,726	2,793	+2,039	+207	9,765	3,000
Total Adjusted Approp.....		8,105	3,000	8,266	2,796	7,726	2,793	+2,039	+207	9,765	3,000
Rescissions and Transfers (Net).....		-8,105	-3,000	-8,870	-3,000	-8,298	-3,000	-1,467	-	-9,765	-3,000
Sequestration.....		-	-	603	204	573	207	-573	-207	-	-
Total Appropriation.....		-	-	-	-	-	-	-	-	-	-
Transfers In:											
Commodity Credit Corporation.....		8,105	3,000	8,870	3,000	8,298	3,000	+1,467	-	9,765	3,000
Total.....		8,105	3,000	8,870	3,000	8,298	3,000	+1,467	-	9,765	3,000
Sequestration.....		-592	-219	-603	-204	-573	-207	+573	+207	-	-
Bal. Available, SOY.....		10,152	2,512	6,866	2,171	1,305	567	-1,029	-316	\$276	\$251
Recoveries, Other (Net).....		2,777	551	2,368	567	1,833	420	+169	-42	2,002	378
Total Available.....		20,442	5,844	17,501	5,533	10,864	3,780	+1,178	-151	12,042	3,629
Bal. Available, EOY.....		-15,417	-2,171	-5,139	-567	-270	-251	-1,759	-130	-2,029	-381
Total Obligations.....		5,025	3,673	12,362	4,967	10,594	3,529	-580	-281	10,013	3,248

a/ Mandatory funding provided by section section 6023 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from Commodity Credit Corporation of \$3,000,000 each year from 2014 through 2018, to remain available until expended.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT

Project Statement
Obligations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget		
	Program	Budget	Program	Budget	Program	Budget	Program	Budget	Program	Budget	
	Level	Authority	Level	Authority	Level	Authority	Level	Authority	Level	Authority	
Mandatory Obligations:											
Microenterprise Loans.....	a/	\$1,550	\$199	\$8,340	\$945	\$8,065	\$1,000	-\$549	-\$250	\$7,515	\$750
Microenterprise Grants.....	a/	3,475	3,475	4,022	4,022	2,529	2,529	-31	-31	2,498	2,498
Total Obligations.....		5,025	3,673	12,362	4,967	10,594	3,529	-580	-281	10,013	3,248
Bal. Available, EOY.....		15,417	2,171	5,139	567	270	251	+1,759	+130	2,029	381
Total Available.....		20,442	5,844	17,501	5,533	10,864	3,780	+1,178	-151	12,042	3,629
Transfers: Commodity Credit Corporation.....		-8,105	-3,000	-8,870	-3,000	-8,298	-3,000	-1,467	-	-9,765	-3,000
Sequestration.....		592	219	603	204	573	207	-573	-207	-	-
Bal. Available, SOY.....		-10,152	-2,512	-6,866	-2,171	-1,305	-567	+1,029	+316	-276	-251
Recoveries, Other (Net).....		-2,777	-551	-2,368	-567	-1,833	-420	-169	+42	-2,002	-378
Total Appropriation.....		-	-	-	-	-	-	-	-	-	-

a/ Mandatory funding provided by section section 6023 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$3,000,000 each year from 2014 through 2018, to remain available until expended.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Rural Microentrepreneur Assistance Program Direct Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual Amount	2016 Actual Amount	2017 Estimate Amount	2018 President's Budget Amount
Arizona.....	-	\$550	-	-
Hawaii.....	-	900	-	-
Kentucky.....	-	500	-	-
Maine.....	\$500	500	-	-
Michigan.....	-	900	-	-
Nebraska.....	-	250	-	-
New Mexico.....	500	-	-	-
North Carolina.....	-	1,400	-	-
Ohio.....	-	400	-	-
Oklahoma.....	-	500	-	-
Oregon.....	150	840	-	-
Pennsylvania.....	-	100	-	-
South Carolina.....	400	-	-	-
Vermont.....	-	900	-	-
Washington.....	-	100	-	-
Puerto Rico.....	-	500	-	-
Undistributed.....	-	-	\$8,065 ^{a/}	\$7,515 ^{a/}
Obligations.....	<u>1,550</u>	<u>8,340</u>	<u>8,065</u>	<u>7,515</u>

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Rural Microentrepreneur Assistance Program Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Arizona.....	\$115	\$151	-	-
California.....	209	243	-	-
Delaware.....	37	54	-	-
Georgia.....	29	-	-	-
Hawaii.....	17	100	-	-
Idaho.....	84	70	-	-
Illinois.....	119	88	-	-
Kansas.....	10	25	-	-
Kentucky.....	131	89	-	-
Maine.....	449	449	-	-
Maryland.....	252	229	-	-
Massachusetts.....	64	209	-	-
Michigan.....	88	127	-	-
Minnesota.....	159	104	-	-
Montana.....	92	133	-	-
Nebraska.....	289	194	-	-
Nevada.....	68	77	-	-
New Jersey.....	110	99	-	-
North Carolina.....	122	401	-	-
North Dakota.....	30	55	-	-
Ohio.....	116	41	-	-
Oklahoma.....	-	100	-	-
Oregon.....	44	159	-	-
Pennsylvania.....	188	92	-	-
South Carolina.....	187	-	-	-
South Dakota.....	118	98	-	-
Vermont.....	-	205	-	-
Washington.....	127	90	-	-
West Virginia.....	-	66	-	-
Wisconsin.....	222	170	-	-
Puerto Rico.....	-	105	-	-
Undistributed.....	-	-	\$2,529 ^{a/}	\$2,498 ^{a/}
Obligations.....	3,475	4,022	2,529	2,498

^{a/} Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2015	2016	2017	2018
	Actual	Actual	Estimate	President's Budget
41.0 Grants, subsidies, and contributions.....	\$3,673	\$4,967	\$3,529	\$3,248
99.9 Total, new obligations.....	3,673	4,967	3,529	3,248

NOTE: Amounts include mandatory funding.

RURAL BUSINESS-COOPERATIVE SERVICE

BIOREFINERY ASSISTANCE PROGRAM ACCOUNT

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority
	Mandatory Appropriations:									
Guaranteed biorefinery loans..... a/	\$114,955	\$46,350	\$207,850	\$46,600	-	-	-	-	-	-
Total Adjusted Approp.....	114,955	46,350	207,850	46,600	-	-	-	-	-	-
Rescissions and Transfers (Net).....	-114,955	-46,350	-207,850	-46,600	-	-	-	-	-	-
Sequestration.....	9,053	3,650	15,165	3,400	-	-	-	-	-	-
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-
Transfers In:										
Commodity Credit Corporation.....	124,008	50,000	223,015	50,000	-	-	-	-	-	-
Commodity Credit Corporation.....	-	-	72,926	16,350	-	-	+\$142,753	+\$19,600	\$142,753	\$19,600
Total.....	124,008	50,000	295,941	66,350	-	-	+142,753	+19,600	142,753	19,600
Rescission..... d/	-	-	-	-	-	-	-1,274,585	-175,000	-1,274,585	-175,000
Sequestration.....	-9,053	-3,650	-15,165	-3,400	-	-	-	-	-	-
Discretionary block on S&E funds..... b/c/	-40,551	-16,350	-87,422	-19,600	-	-	-	-	-	-
Bal. Available, SOY.....	212,451	111,847	553,526	124,100	\$836,860	\$174,150	+294,972	-18,750	1,131,832	155,400
Recoveries, Other (Net).....	-	-	116,106	6,700	-	-	-	-	-	-
Total Available.....	286,855	141,847	862,985	174,150	836,860	174,150	-836,860	-174,150	-	-
Bal. Available, EOY.....	-206,855	-124,100	-862,985	-174,150	-746,759	-155,400	+746,759	+155,400	-	-
Total Obligations.....	80,000	17,746	-	-	90,101	18,750	-90,101	-18,750	-	-

a/ Mandatory funding provided by section 9003 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$100,000,000 for 2014, \$50,000,000 for both 2015 and 2016, to remain available until expended.

b/ Rescission of all unobligated balances in the amount of \$40,694,000 of Biorefinery Assistance Program Account funds pursuant to the Consolidated Appropriates Act, 2014, Public Law 113- 76, Division A, Title VII, GP 741.

c/ Consolidated Appropriations Act, 2016, PL 114-113, dated December, 18, 2015, GP 714(4) blocks S&E to be spent to run the program in excess of \$27,000,000 of the funding appropriated for the program for 2016.

d/ A rescission of unobligated balances in the amount of \$175,000,000 is proposed for this account in FY 2018.

RURAL BUSINESS-COOPERATIVE SERVICE

BIOREFINERY ASSISTANCE PROGRAM ACCOUNT

Project Statement
Obligations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority
Mandatory Obligations:										
Guaranteed biorefinery loans..... a/	\$80,000	\$17,746	-	-	\$90,101	\$18,750	-\$90,101	-\$18,750	-	-
Total Obligations.....	80,000	17,746	-	-	90,101	18,750	-90,101	-18,750	-	-
Bal. Available, EOY.....	206,855	124,100	862,985	174,150	746,759	155,400	-746,759	-155,400	-	-
Total Available.....	286,855	141,847	862,985	174,150	836,860	174,150	-836,860	-174,150	-	-
Transfers In:.....	-124,008	-50,000	-295,941	-66,350	-	-	-142,753	-19,600	-\$142,753	-\$19,600
Rescission..... d/	-	-	-	-	-	-	+1,274,585	+175,000	1,274,585	175,000
Sequestration.....	9,053	3,650	15,165	3,400	-	-	-	-	-	-
Discretionary block on S&E funds..... b/c/	40,551	16,350	87,422	19,600	-	-	-	-	-	-
Bal. Available, SOY.....	-212,451	-111,847	-553,526	-124,100	-836,860	-174,150	-294,972	+18,750	-1,131,832	-155,400
Recoveries, Other (Net).....	-	-	-116,106	-6,700	-	-	-	-	-	-
Total Appropriation.....	-	-	-	-	-	-	-	-	-	-

NOTE: Numbers may not add down due to rounding.

a/ Mandatory funding provided by section 9003 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$100,000,000 for 2014, \$50,000,000 for both 2015 and 2016, to remain available until expended.

b/ Rescission of all unobligated balances in the amount of \$40,694,000 of Biorefinery Assistance Program Account funds pursuant to the Consolidated Appropriates Act, 2014, Public Law 113- 76, Division A, Title VII, GP 741.

c/ Consolidated Appropriations Act, 2016, PL 114-113, dated December, 18, 2015, GP 714(4) blocks S&E to be spent to run the program in excess of \$27,000,000 of the funding appropriated for the program for 2016.

d/ A rescission of unobligated balances in the amount of \$175,000,000 is proposed for this account in FY 2018.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Guaranteed Biorefinery Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2015 Actual</u> Amount	<u>2016 Actual</u> Amount	<u>2017 Estimate</u> Amount	2018 President's <u>Budget</u> Amount
Georgia.....	\$70,000	-	-	-
Louisiana.....	10,000	-	-	-
Undistributed.....	-	-	\$90,101 ^{a/}	-
Obligations.....	80,000	-	90,101	-
Bal. Available, SOY.....	-\$212,451	-553,526	-836,860	-\$1,131,832
Recoveries.....	-	-116,106	-	-
Transfer In.....	-124,008	-295,941	-	-142,753
Sequestration.....	9,053	15,165	-	-
Rescission.....	-	-	-	1,274,585
Discretionary block on S&E funds.....	40,551	87,422	-	-
Bal. Available, EOY.....	206,855	862,985	746,759	-
Total, Adjusted Approp.....	-	-	-	-

^{a/} Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2015 <u>Actual</u>	2016 <u>Actual</u>	2017 <u>Estimate</u>	2018 President's <u>Budget</u>
41.0 Grants, subsidies, and contributions.....	\$17,746	-	\$18,750	-
99.9 Total, new obligations.....	17,746	-	18,750	-

RURAL BUSINESS-COOPERATIVE SERVICE

ENERGY ASSISTANCE PAYMENTS

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual	2016 Actual	2017 Estimate	Inc. or Dec.	2018 President's
	Amount	Amount	Amount	Amount	Budget Amount
Mandatory Appropriations:					
Repowering assistance payments..... a/	-			-	-
Bioenergy program for advanced biofuel payments..... b/	\$15,000	\$13,980	\$13,965	+\$1,035	15,000
Rescissions, Transfers and Seq. (Net).....	-15,000	-13,980	-13,965	-1,035	-15,000
Total Appropriation.....	-	-	-	-	-
Transfers In:					
Commodity Credit Corporation.....	15,000	15,000	15,000	-	15,000
Total.....	15,000	15,000	15,000	-	15,000
Rescission..... g/	-8,000	-	-	-	-
Sequestration.....	-1,095	-1,020	-1,035	+1,035	-
Bal. Available, SOY.....	21,834	9,298	11,208	-3,407	\$7,801
Recoveries, Other (Net).....	500	2,031	45	-45	-
Total Available.....	28,239	25,309	25,218	-2,417	22,801
Bal. Available, EOY.....	-9,298	-11,208	-7,801	+1,407	-6,394
Total Obligations.....	18,941	14,101	17,417	-1,010	16,407

Project Statement
Obligations Detail
(Dollars in thousands)

Program	2015 Actual	2016 Actual	2017 Estimate	Inc. or Dec.	2018 President's
	Amount	Amount	Amount	Amount	Budget Amount
Mandatory Obligations:					
Repowering assistance payments..... a/	\$4,437	-	\$2,017	-\$2,017	-
Bioenergy program for advanced biofuel payments..... b/	14,504	\$14,101	15,400	+1,007	\$16,407
Total Obligations.....	18,941	14,101	17,417	-1,010	16,407
Bal. Available, EOY.....	9,298	11,208	7,801	-1,407	6,394
Total Available.....	28,239	25,309	25,218	-2,417	22,801
Transfers In:					
Commodity Credit Corporation.....	-15,000	-15,000	-15,000	-	-15,000
Total.....	-15,000	-15,000	-15,000	-	-15,000
Rescission..... c/	8,000	-	-	-	-
Sequestration.....	1,095	1,020	1,035	-1,035	-
Bal. Available, SOY.....	-21,834	-9,298	-11,208	+3,407	-7,801
Recoveries, Other (Net).....	-500	-2,031	-45	+45	-
Total Appropriation.....	-	-	-	-	-

Project Statement Footnotes

- a/ Mandatory funding provided by section 9004 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$12,000,000 for 2014, to remain available until expended.
- b/ Mandatory funding provided by section 9005 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$15,000,000 for 2014 through 2018, to remain available until expended.
- c/ Rescission of unobligated balance in the amount of \$8,000,000 of Repowering Assistance Payment funds pursuant to Sec. 748 of the Consolidated and Further Continuing Appropriations Act, 2015, HR 83, dated

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Repowering Assistance Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018
	Amount	Amount	Amount	President's Budget Amount
California.....	\$3,000	-	-	-
Oregon.....	1,437	-	-	-
Undistributed.....	-	-	\$2,017 a/	-
Obligations.....	4,437	-	2,017	-

Mandatory Bioenergy Program for Advanced Biofuels Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018
	Amount	Amount	Amount	President's Budget Amount
Alabama.....	\$48	\$25	-	-
Alaska.....	-	1	-	-
Arizona.....	4	2	-	-
Arkansas.....	154	223	-	-
California.....	1,220	1,351	-	-
Colorado.....	53	7	-	-
Connecticut.....	36	52	-	-
Florida.....	350	17	-	-
Georgia.....	73	77	-	-
Hawaii.....	9	16	-	-
Idaho.....	45	22	-	-
Illinois.....	436	427	-	-
Indiana.....	692	1,089	-	-
Iowa.....	892	778	-	-
Kansas.....	1,926	485	-	-
Kentucky.....	654	808	-	-
Louisiana.....	763	398	-	-
Maine.....	28	13	-	-
Maryland.....	120	34	-	-
Massachusetts.....	6	56	-	-
Michigan.....	36	14	-	-
Minnesota.....	1,095	518	-	-
Mississippi.....	64	130	-	-
Missouri.....	1,551	833	-	-
Montana.....	-	1	-	-
Nebraska.....	640	846	-	-
Nevada.....	24	-	-	-
New Hampshire.....	170	201	-	-
New Mexico.....	1	0	-	-
New York.....	13	9	-	-
North Carolina.....	12	4	-	-
Ohio.....	553	275	-	-
Oklahoma.....	158	215	-	-
Oregon.....	46	152	-	-
Pennsylvania.....	870	212	-	-
Rhode Island.....	19	106	-	-
South Carolina.....	4	1	-	-
South Dakota.....	0	1	-	-
Tennessee.....	882	109	-	-
Texas.....	518	4,373	-	-
Vermont.....	3	4	-	-
Virginia.....	70	11	-	-
Washington.....	207	107	-	-
West Virginia.....	7	7	-	-
Wisconsin.....	56	92	-	-
Undistributed.....	-	-	\$15,400 a/	\$16,407 a/
Obligations.....	14,504	14,101	15,400	16,407

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2015	2015	2017	2018
	Actual	Actual	Estimate	President's Budget
41.0 Grants, subsidies, and contributions...	\$18,941	\$14,101	\$17,417	\$16,407
99.9 Total, new obligations.....	18,941	14,101	17,417	16,407

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriations language for this item as follows (deleted matter enclosed in brackets):

Rural Energy for America Program

[For the cost of a program of loan guarantees, under the same terms and conditions as authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), \$500,000: *Provided*, That the cost of loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.]

This change removes language for rural energy for America loans which are not proposed in the budget.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ENERGY FOR AMERICA PROGRAM

Lead-Off Tabular Statement

	Loan Level	Subsidy
Budget Estimate, 2018.....	-	-
2017 Annualized Continuing Resolution.....	\$10,755,000	\$499,000
Change in Appropriation.....	<u>-10,755,000</u>	<u>-499,000</u>

Summary of Increases and Decreases

(Dollars in thousands)

Program	2015 Actual	2016 Change	2017 Change	2018 Change	2018 President's Budget
Discretionary Appropriations:					
Guaranteed renewable energy loans.....	\$1,350	-\$850	-\$1	-\$499	-
Total Discretionary Appropriations.....	1,350	-850	-1	-499	-
Mandatory Appropriations					
Guaranteed renewable energy loans.....	10,000	-	+3,965	+1,035	\$15,000
Renewable energy grants.....	38,000	-	-7,277	+2,277	33,000
Renewable energy audits and technical assistance.....	2,000	-	-138	+138	2,000
Total Mandatory Appropriations.....	<u>50,000</u>	<u>-</u>	<u>-3,450</u>	<u>+3,450</u>	<u>50,000</u>
Total.....	<u>51,350</u>	<u>-850</u>	<u>-3,451</u>	<u>+2,951</u>	<u>50,000</u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ENERGY FOR AMERICA PROGRAM

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget			
	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority		
Discretionary Appropriations:												
Guaranteed renewable energy loans..... a/	\$12,760	\$1,350	\$7,576	\$500	\$10,755	\$499	-\$10,755	(1)	-\$499	(2)	-	-
Subtotal.....	12,760	1,350	7,576	500	10,755	499	-10,755		-499		-	-
Mandatory Appropriations:												
Guaranteed renewable energy loans..... a/b/	94,518	10,000	151,515	10,000	300,970	13,965	+86,627		+1,035		\$387,597	\$15,000
Renewable energy grants..... b/	38,000	38,000	38,000	38,000	30,723	30,723	+2,277		+2,277		33,000	33,000
Renewable energy audits and technical assistance..... b/	2,000	2,000	2,000	2,000	1,862	1,862	+138		+138		2,000	2,000
Subtotal.....	134,518	50,000	191,515	50,000	333,555	46,550	+89,042		+3,450		422,597	50,000
Total Adjusted Approp.....	147,278	51,350	199,091	50,500	344,310	47,049	+78,287		+2,951		422,597	50,000
Rescissions, Transfers and Seq. (Net).....	-134,518	-50,000	-191,515	-46,600	-333,555	-46,550	-89,042		-3,450		-422,597	-50,000
Total Appropriation.....	12,760	1,350	7,576	3,900	10,755	499	-10,755		-499		-	-
Transfers In:												
Commodity Credit Corporation (CCC).....	134,518	50,000	191,515	50,000	358,276	50,000	-358,276		-50,000		-	-
Total.....	134,518	50,000	191,515	50,000	358,276	50,000	+64,321		-		422,597	50,000
Sequestration.....	-9,820	-3,650	-13,023	-3,400	-24,721	-3,450	+24,721		+3,450		-	-
Bal. Available, SOY.....	154,485	57,422	91,869	10,688	102,555	9,465	-98,900		-6,594		\$3,655	\$2,871
Recoveries, Other (Net).....	11,589	5,620	29,397	5,958	26,514	4,585	+1,460		-458		27,973	4,127
Total Available.....	303,533	110,741	307,333	67,147	473,379	61,099	-19,154		-3,602		454,225	56,998
Lapsing Balances.....	-116	-12	-52	-3	-	-	-		-		-	-
Bal. Available, EOY.....	-59,172	-10,688	-11,798	-9,465	-3,520	-2,871	+692		-1,830		-2,827	-4,701
Total Obligations.....	244,244	100,041	295,483	57,678	469,860	58,228	-18,462		-5,432		451,398	52,297

a/ The subsidy rate is based on a guarantee fee of 1% and annual fee of .25%.

b/ Includes mandatory funding provided by section 9007 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$50 million for 2015, 2016, 2017, and 2018. The funds are to remain available until expended.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL ENERGY FOR AMERICA PROGRAM

Project Statement
Obligations Detail
(Dollars in thousands)

Program	2015 Actual		2016 Actual		2017 Estimate		Inc. or Dec.		2018 President's Budget	
	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority	Program Level	Budget Authority
Discretionary Obligations:										
Guaranteed renewable energy loans..... a/	\$12,644	\$1,338	\$7,524	\$497	\$10,755	\$499	-\$10,755 (1)	-\$499 (2)	-	-
Subtotal.....	12,644	1,338	7,524	497	10,755	499	-10,755	-499	-	-
Mandatory Obligations:										
Guaranteed renewable energy loans..... a/b/	148,622	15,724	250,726	16,548	420,905	19,530	-5,737	-3,463	\$415,168	\$16,067
Renewable energy grants..... b/	80,979	80,979	35,372	35,372	36,337	36,337	-2,107	-2,107	34,230	34,230
Renewable energy audits and technical assistance..... b/	2,000	2,000	1,862	1,862	1,862	1,862	+138	+138	2,000	2,000
Subtotal.....	231,601	98,703	287,960	53,782	459,104	57,729	-7,706	-5,432	451,398	52,297
Total Obligations.....	244,244	100,041	295,483	54,278	469,860	58,228	-18,462	-5,931	451,398	52,297
Lapsing Balances.....	116	12	52	3	-	-	-	-	-	-
Bal. Available, EOY.....	59,172	10,688	11,798	9,465	3,520	2,871	-692	+1,830	2,827	4,701
Total Available.....	303,533	110,741	307,333	63,747	473,379	61,099	-19,154	-4,101	454,225	56,998
Transfers In.....	-134,518	-50,000	-191,515	-50,000	-358,276	-50,000	-64,321	-	-422,597	-50,000
Sequestration.....	9,820	3,650	13,023	3,400	24,721	3,450	-24,721	-3,450	-	-
Bal. Available, SOY.....	-154,485	-57,422	-91,869	-10,688	-102,555	-9,465	+98,900	+6,594	-3,655	-2,871
Recoveries, Other (Net).....	-11,589	-5,620	-29,397	-5,958	-26,514	-4,585	-1,460	+458	-27,973	-4,127
Total Appropriation.....	12,760	1,350	7,576	500	10,755	499	-10,755	-499	-	-

a/ The subsidy rate is based on a guarantee fee of 1% and annual fee of .25%.

b/ Includes mandatory funding provided by section 9007 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$50 million for 2015, 2016, 2017, and 2018. The funds are to remain available until expended.

Justification of Increases and Decreases

- (1) A decrease of \$10,755,000 for rural energy for America program (REAP) guaranteed loans (\$10,755,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.

- (2) A decrease of \$499,000 for rural energy for America program guaranteed loan subsidy (\$499,000 available in 2017).

Funding for this program is terminated and there is no need for budget authority to support program operations.

Summary of Proposed Legislation

- Program: Rural Energy for America Program
- Proposal: Eliminate the statutory authority of the program, and rescind the mandatory funds.
- Rationale: This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated. Further, applicants can access the private market to obtain financing for projects funded under this authority.
- Goal: To eliminate duplication in the Federal government

	2017	2018	2019	2020	2021
Budget Authority	0	-\$50M	-\$50M	-\$50M	-\$50M
Outlays	0	-\$5M	-\$34M	-\$45M	-\$48M

RURAL BUSINESS-COOPERATIVE SERVICE
Discretionary Rural Energy for America Program Guaranteed Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alaska.....	\$31	-	-	-
Arizona.....	-	\$105	-	-
Florida.....	2,363	-	-	-
Kentucky.....	-	19	-	-
North Carolina.....	10,250	7,400	-	-
Undistributed.....	-	-	\$10,755 <u>a/</u>	-
Obligations.....	12,644	7,524	10,755	-
Lapsing Balances.....	116	53	-	-
Total, Adjusted Approp....	12,760	7,576	10,755	-

Mandatory Rural Energy for America Program Guaranteed Loans
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Arizona.....	\$5,000	\$863	-	-
California.....	-	5,000	-	-
Florida.....	-	128	-	-
Georgia.....	-	10,000	-	-
Hawaii.....	550	-	-	-
Indiana.....	-	9,282	-	-
Kansas.....	-	156	-	-
Minnesota.....	-	14,172	-	-
Missouri.....	3,375	5,205	-	-
Nebraska.....	-	28	-	-
New Mexico.....	-	1,708	-	-
New York.....	316	-	-	-
North Carolina.....	139,271	105,420	-	-
Ohio.....	110	1,015	-	-
Oregon.....	-	64,107	-	-
South Carolina.....	-	15,000	-	-
Texas.....	-	10,000	-	-
Utah.....	-	75	-	-
Vermont.....	-	2,500	-	-
Wisconsin.....	-	5,981	-	-
Puerto Rico.....	-	88	-	-
Undistributed.....	-	-	\$420,905 <u>a/</u>	\$415,168 <u>a</u>
Obligations.....	148,622	250,726	420,905	415,168

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Mandatory Rural Energy for America Program Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Acual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	\$1,857	\$909	-	-
Alaska.....	699	282	-	-
Arizona.....	1,187	543	-	-
Arkansas.....	609	598	-	-
California.....	5,845	856	-	-
Colorado.....	691	544	-	-
Connecticut.....	898	369	-	-
Delaware.....	936	396	-	-
Florida.....	420	710	-	-
Georgia.....	4,108	1,054	-	-
Hawaii.....	545	518	-	-
Idaho.....	1,137	533	-	-
Illinois.....	1,566	739	-	-
Indiana.....	1,752	784	-	-
Iowa.....	3,710	1,150	-	-
Kansas.....	936	548	-	-
Kentucky.....	2,155	866	-	-
Louisiana.....	1,198	617	-	-
Maine.....	1,784	619	-	-
Maryland.....	1,206	544	-	-
Massachusetts.....	1,870	426	-	-
Michigan.....	2,262	944	-	-
Minnesota.....	2,228	867	-	-
Mississippi.....	1,847	755	-	-
Missouri.....	1,978	1,086	-	-
Montana.....	748	518	-	-
Nebraska.....	1,786	1,020	-	-
Nevada.....	738	62	-	-
New Hampshire.....	1,163	527	-	-
New Jersey.....	991	499	-	-
New Mexico.....	1,110	417	-	-
New York.....	2,691	882	-	-
North Carolina.....	3,379	1,167	-	-
North Dakota.....	461	459	-	-
Ohio.....	2,365	1,226	-	-
Oklahoma.....	1,421	616	-	-
Oregon.....	1,358	577	-	-
Pennsylvania.....	2,165	910	-	-
Rhode Island.....	857	386	-	-
South Carolina.....	236	715	-	-
South Dakota.....	1,119	521	-	-
Tennessee.....	2,210	1,078	-	-
Texas.....	2,148	1,173	-	-
Utah.....	921	375	-	-
Vermont.....	1,555	520	-	-
Virginia.....	2,143	796	-	-
Washington.....	1,364	1,202	-	-
West Virginia.....	848	574	-	-
Wisconsin.....	1,902	724	-	-
Wyoming.....	239	352	-	-
Guam.....	319	88	-	-
Puerto Rico.....	1,241	593	-	-
Virgin Islands.....	55	135	-	-
Other Countries.....	19	-	-	-
Undistributed.....	-	-	\$36,337 a/	\$34,230 a/
Obligations.....	80,979	35,372	36,337	34,230

a/ Totals cannot be distributed at this time.

Mandatory Rural Energy for America Program Energy Audits and Technical Assistance
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	-	\$100	-	-
Alaska.....	-	96	-	-
California.....	\$20	-	-	-
Colorado.....	50	-	-	-
Florida.....	99	-	-	-
Georgia.....	73	76	-	-
Idaho.....	-	100	-	-
Illinois.....	90	-	-	-
Indiana.....	100	-	-	-
Iowa.....	-	10	-	-
Kentucky.....	67	40	-	-
Maine.....	100	165	-	-
Massachusetts.....	98	-	-	-
Michigan.....	100	-	-	-
Minnesota.....	100	70	-	-
Missouri.....	100	-	-	-
Nebraska.....	71	40	-	-
Nevada.....	-	78	-	-
New Mexico.....	83	-	-	-
North Carolina.....	154	144	-	-
Ohio.....	40	100	-	-
Oklahoma.....	100	-	-	-
Oregon.....	70	100	-	-
Pennsylvania.....	100	141	-	-
South Dakota.....	2	-	-	-
Tennessee.....	100	-	-	-
Texas.....	99	31	-	-
Utah.....	-	80	-	-
Virginia.....	-	35	-	-
Washington.....	94	100	-	-
West Virginia.....	-	200	-	-
Wisconsin.....	88	-	-	-
Guam.....	-	100	-	-
Puerto Rico.....	-	57	-	-
Undistributed.....	-	-	\$1,862 a/	\$2,000 a/
Obligations.....	2,000	1,862	1,862	2,000

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

Discretionary	2015	2016	2017	2018
	Actual	Actual	Estimate	President's Budget
41.0 Grants, subsidies, and contributions.....	\$100,041	\$54,278	\$58,228	\$52,297
99.9 Total, new obligations.....	100,041	54,278	58,228	52,297

NOTE: Amounts include mandatory and discretionary funding.

RURAL BUSINESS-COOPERATIVE SERVICE

The estimates include appropriations language for this item as follows (deleted matter enclosed in brackets):

Rural Cooperative Development Grants

[For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), \$22,050,000, of which \$2,500,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed \$3,000,000 shall be for grants for cooperative development centers, individual cooperatives, or groups of cooperatives that serve socially disadvantaged groups and a majority of the boards of directors or governing boards of which are comprised of individuals who are members of socially disadvantaged groups; and of which \$10,750,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1632a).]

This change removes language for rural cooperative development grants which are not proposed in the 2018 budget.

RURAL BUSINESS-COOPERATIVE SERVICE
RURAL COOPERATIVE DEVELOPMENT GRANTS

Lead-Off Tabular Statement

Budget Estimate, 2018.....	-
2017 Annualized Continuing Resolution.....	\$22,008,000
Change in Appropriation.....	<u><u>-22,008,000</u></u>

Summary of Increases and Decreases
(Dollars in thousands)

Program	2015 Actual	2016 Change	2017 Change	2018 Change	2018 President's Budget
Discretionary Appropriations					
Rural cooperative development grants.....	\$5,800	-	-\$11	-\$5,789	-
Appropriate technology transfer for rural areas agreements.....	2,500	-	-5	-2,495	-
Grants to assist minority producers.....	3,000	-	-6	-2,994	-
Value-added agriculture product marketing development grants.....	8,063	-	-15	-8,048	-
Agricultural marketing resource center grants.....	537	-	-1	-536	-
Value-added agricultural product beginning & socially disadvantaged farmers & ranchers.....	1,075	-	-2	-1,073	-
Value-added agricultural product marketing development mid-tier chains.....	1,075	-	-2	-1,073	-
Total.....	<u>22,050</u>	<u>-</u>	<u>-42</u>	<u>-22,008</u>	<u>-</u>

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL COOPERATIVE DEVELOPMENT GRANTS

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual	2016 Actual	2017 Estimate	Inc. or Dec.	2018 President's Budget
	Amount	Amount	Amount	Amount	Amount
Discretionary Appropriations:					
Rural cooperative development grants.....	\$5,800	\$5,800	\$5,789	-\$5,789 (1)	-
Appropriate technology transfer for rural areas agreements.....	2,500	2,500	2,495	-2,495 (2)	-
Grants to assist minority producers.....	3,000	3,000	2,994	-2,994 (3)	-
Value-added agricultural product marketing development grants.....	8,063	8,063	8,048	-8,048 (4)	-
Agricultural marketing resource center grants.....	537	537	536	-536 (4)	-
Value-added agricultural product beginning & socially disadvantaged farmers & ranchers.....	1,075	1,075	1,073	-1,073 (4)	-
Value-added agricultural product marketing development mid-tier chains.....	1,075	1,075	1,073	-1,073 (4)	-
Total Appropriation.....	22,050	22,050	22,008	-22,008	-
Bal. Available, SOY.....	78,396	45,551	12,360	-11,242	\$1,118
Recoveries, Other (Net).....	3,053	1,946	1,069	-87	982
Total Available.....	103,499	69,547	35,437	-33,337	2,100
Lapsing Balances.....	-0	-1	-	-	-
Bal. Available, EOY.....	-45,551	-12,360	-1,118	-561	-1,679
Total Obligations.....	57,948	57,187	34,319	-33,898	421

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL COOPERATIVE DEVELOPMENT GRANTS

Project Statement
Obligations Details
(Dollars in thousands)

Program	2015 Actual	2016 Actual	2017 Estimate	Inc. or Dec.	2018 President's Budget
	Amount	Amount	Amount	Amount	Amount
Discretionary Obligations:					
Rural cooperative development grants.....	\$5,800	\$5,799	\$5,789	-\$5,789 (1)	-
Appropriate technology transfer for rural areas agreements.....	2,500	2,500	2,495	-2,495 (2)	-
Grants to assist minority producers.....	3,000	3,000	2,994	-2,994 (3)	-
Value-added agricultural product marketing development grants.....	22,442	14,393	11,877	-11,877 (4)	-
Agricultural marketing resource center grants.....	1,623	-	601	-601 (4)	-
Subtotal.....	35,366	25,692	23,757	-23,757	-
Mandatory Obligations:					
Value-added agricultural product marketing development grants..... a/	21,533	31,495	10,562	-10,141	\$421
Agricultural marketing resource center grants..... a/	1,050	-	-	-	-
Subtotal.....	22,582	31,495	10,562	-10,141	421
Total Obligations.....	57,948	57,187	34,319	-33,898	421
Lapsing Balances.....	0	1	-	-	-
Bal. Available, EOY.....	45,551	12,360	1,118	561	1,679
Total Available.....	103,499	69,547	35,437	-33,337	2,100
Bal. Available, SOY.....	-78,396	-45,551	-12,360	+11,242	-1,118
Recoveries, Other (Net).....	-3,053	-1,946	-1,069	+87	-982
Total Appropriation.....	22,050	22,050	22,008	-22,008	-

a/ Mandatory funding provided by section 6203 of the Agricultural Act of 2014, Public Law 113-79, dated February 7, 2014. The Act provides funds from the Commodity Credit Corporation of \$63,000,000

Justification of Increases and Decreases

- (1) A decrease of \$5,789,000 for rural cooperative development grants (\$5,789,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated.

- (2) A decrease of \$2,495,000 for appropriate technology transfer for rural areas agreements (\$2,495,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated.

- (3) A decrease of \$2,994,000 for grants to socially disadvantaged group grants (\$2,994,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated.

- (4) A decrease of \$10,730,000 for value added producer grants (\$10,730,000 available in 2017).

This program has been deemed duplicative and overlaps with similar business development programs operated by other Federal Agencies, hence, funding for this program is terminated.

RURAL BUSINESS-COOPERATIVE SERVICE
Rural Cooperative Development Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2017 Estimate</u>	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	-	\$200	-	-
Alaska.....	\$200	200	-	-
California.....	400	400	-	-
Colorado.....	200	200	-	-
Hawaii.....	200	200	-	-
Illinois.....	200	200	-	-
Indiana.....	200	200	-	-
Kentucky.....	200	200	-	-
Massachusetts.....	200	200	-	-
Michigan.....	200	200	-	-
Minnesota.....	600	800	-	-
Mississippi.....	200	200	-	-
Montana.....	200	400	-	-
Nebraska.....	200	-	-	-
North Dakota.....	400	200	-	-
Ohio.....	281	200	-	-
Oregon.....	200	200	-	-
Pennsylvania.....	200	200	-	-
South Dakota.....	200	200	-	-
Texas.....	200	199	-	-
Virginia.....	319	200	-	-
Washington.....	400	400	-	-
Wisconsin.....	400	400	-	-
Undistributed.....	-	-	\$5,789 ^{a/}	-
Obligations.....	5,800	5,799	5,789	-

Appropriate Technology Transfer Grants
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2017 Estimate</u>	2018 President's
	Amount	Amount	Amount	Budget Amount
Montana.....	\$2,500	\$2,500	-	-
Undistributed.....	-	-	\$2,495 ^{a/}	-
Obligations.....	2,500	2,500	2,495	-

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
 Grants to Assist Minority Producers
Geographic Breakdown of Obligations
 (Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	\$175	\$171	-	-
Alaska.....	175	-	-	-
California.....	212	350	-	-
Hawaii.....	175	175	-	-
Maryland.....	172	-	-	-
Massachusetts.....	143	175	-	-
Minnesota.....	350	175	-	-
Mississippi.....	316	525	-	-
Montana.....	-	175	-	-
Nebraska.....	-	166	-	-
New Mexico.....	306	89	-	-
South Carolina.....	350	175	-	-
South Dakota.....	134	-	-	-
Texas.....	175	175	-	-
Virginia.....	141	172	-	-
Washington.....	175	346	-	-
Puerto Rico.....	-	131	-	-
Undistributed.....	-	-	\$2,994 <u>a/</u>	-
Obligations.....	<u>3,000</u>	<u>3,000</u>	<u>2,994</u>	-

a/ Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Value-Added Agricultural Product Marketing Development Grants - Discretionary
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Alabama.....	\$664	\$542	-	-
Alaska.....	48	-	-	-
Arizona.....	547	841	-	-
Arkansas.....	249	513	-	-
California.....	2,344	1,955	-	-
Colorado.....	-	223	-	-
Connecticut.....	250	250	-	-
Delaware.....	749	250	-	-
Florida.....	557	488	-	-
Georgia.....	3,230	1,456	-	-
Hawaii.....	358	-	-	-
Idaho.....	799	864	-	-
Illinois.....	\$630	\$789	-	-
Indiana.....	610	390	-	-
Iowa.....	1,415	571	-	-
Kansas.....	705	786	-	-
Kentucky.....	605	1,709	-	-
Louisiana.....	250	500	-	-
Maine.....	248	-	-	-
Maryland.....	1,508	675	-	-
Massachusetts.....	200	-	-	-
Mississippi.....	250	-	-	-
Nebraska.....	6	-	-	-
New York.....	1,498	-	-	-
North Carolina.....	149	-	-	-
Oklahoma.....	322	-	-	-
Oregon.....	862	-	-	-
Pennsylvania.....	113	-	-	-
Tennessee.....	50	-	-	-
Texas.....	187	-	-	-
Vermont.....	186	-	-	-
Virginia.....	872	-	-	-
Washington.....	629	-	-	-
Wisconsin.....	1,351	-	-	-
Puerto Rico.....	-	1,590	-	-
Undistributed.....	-	-	\$11,877 ^{a/}	-
Obligations.....	22,442	14,393	11,877	-

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Value-Added Agricultural Marketing Resource Center Grants - Discretionary
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget
	Amount	Amount	Amount	Amount
Iowa.....	\$204	-	-	-
Undistributed.....	1,419	-	\$601 ^{a/}	-
Obligations.....	1,623	-	601	-

Value-Added Agricultural Marketing Resource Center Grants - Mandatory
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget
	Amount	Amount	Amount	Amount
Iowa.....	\$1,050	-	-	-
Obligations.....	1,050	-	-	-

^{a/} Totals cannot be distributed at this time.

RURAL BUSINESS-COOPERATIVE SERVICE
Value-Added Agricultural Product Marketing Development Grants - Mandatory
Geographic Breakdown of Obligations
(Dollars in thousands)

State/Territory	2015 Actual	2016 Actual	2017 Estimate	2018 President's
	Amount	Amount	Amount	Budget Amount
Maine.....	-	\$1,613	-	-
Massachusetts.....	\$300	127	-	-
Michigan.....	851	1,249	-	-
Minnesota.....	1,055	1,494	-	-
Mississippi.....	500	-	-	-
Missouri.....	1,461	2,136	-	-
Montana.....	-	236	-	-
Nebraska.....	315	1,385	-	-
Nevada.....	-	99	-	-
New Hampshire.....	96	163	-	-
New Jersey.....	550	734	-	-
New Mexico.....	709	768	-	-
New York.....	1,818	2,580	-	-
North Carolina.....	471	1,375	-	-
North Dakota.....	124	250	-	-
Ohio.....	199	189	-	-
Oklahoma.....	-	39	-	-
Oregon.....	1,185	1,928	-	-
Pennsylvania.....	577	1,733	-	-
Rhode Island.....	-	38	-	-
South Carolina.....	1,130	707	-	-
South Dakota.....	304	500	-	-
Tennessee.....	-	357	-	-
Texas.....	962	241	-	-
Utah.....	250	263	-	-
Vermont.....	784	1,154	-	-
Virginia.....	3,097	3,914	-	-
Washington.....	831	2,328	-	-
West Virginia.....	50	122	-	-
Wisconsin.....	2,198	3,702	-	-
Wyoming.....	30	46	-	-
Puerto Rico.....	1,683	-	-	-
Virgin Islands.....	-	26	-	-
Other Countries.....	3	-	-	-
Undistributed.....	-	-	\$10,562 a/	\$421
Obligations.....	21,533	31,495	10,562	421

a/ Totals cannot be distributed at this time.

Classification by Objects
(Dollars in thousands)

	2015	2016	2017	2018
	Actual	Actual	Estimate	President's Budget
41.0 Grants, subsidies, and contributions.....	\$57,948	\$57,187	\$34,319	\$421
99.9 Total, new obligations.....	57,948	57,187	34,319	421

NOTE: Amounts include mandatory and discretionary funding.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

Project Statement
Adjusted Appropriations Detail
(Dollars in thousands)

Program	2015 Actual	2016 Actual	2017 Estimate	Inc. or Dec.	2018 President's
	Amount	Amount	Amount	Amount	Budget
Discretionary Appropriations:					
Rural empowerment zones and enterprise communities grants.....	-	-	-	-	-
Subtotal.....	-	-	-	-	-
Bal. Available, SOY.....	\$33	\$33	-	-	-
Total Available.....	33	33	-	-	-
Unobligated balances rescinded..... <u>a/</u>	-	-33	-	-	-
Bal. Available, EOY.....	-33	-	-	-	-
Total Obligations.....	-	-	-	-	-

Project Statement
Obligations Detail
(Dollars in thousands)

Program	2015 Actual	2016 Actual	2017 Estimate	Inc. or Dec.	2018 President's
	Amount	Amount	Amount	Amount	Budget
Discretionary Appropriations:					
Rural empowerment zones and enterprise communities grants.....	-	-	-	-	-
Subtotal.....	-	-	-	-	-
Bal. Available, SOY.....	\$33	\$33	-	-	-
Total Available.....	33	33	-	-	-
Unobligated balances rescinded..... <u>a/</u>	-	-33	-	-	-
Bal. Available, EOY.....	-33	-	-	-	-
Total Appropriations.....	-	-	-	-	-

a/ The amounts are rescinded pursuant to the Consolidated Appropriations Act, 2016, Public Law 114-113, signed December 18, 2015, in accordance with section 739.

RURAL BUSINESS-COOPERATIVE SERVICE

Status of Programs

The Rural Business-Cooperative Service (RBS) programs provide direct loans, loan guarantees, grants, technical assistance and payments designed to increase economic opportunity in rural America. Rural Development (RD) Headquarters, State and field office staffs work collaboratively with political and business leaders to leverage RD resources.

RBS promotes economic development by supporting loan guarantees to businesses through banks, credit unions and community-managed lending pools. RBS offers technical assistance and information to help agricultural producers and cooperatives get started and improve the effectiveness of their operations. RBS programs are committed to helping improve the economy and quality of life in rural America. Through these programs, we touch rural America in many ways.

Business and Industry Guaranteed (B&I) Loan Program

Current Activities:

The B&I Guaranteed Loan Program is one of the major tools that RD employs to facilitate business growth in rural areas. The B&I Guaranteed Loan Program provides funding through small or regional scale lenders to ensure rural communities have access to capital. In 2016, RD issued 379 B&I loan guarantees totaling \$1.3 billion assisting 457 rural businesses, and creating or saving 13,620 jobs.

Selected Examples of Recent Progress:

In Arizona, Rural Development provided a \$9,950,000 guaranteed loan to Odyssey Real Estate Development, LLC. Guarantee loan funds will be used to develop and construct retail and restaurant commercial space near the Odyssey Aquarium on the Salt River Pima-Maricopa Indian Community.

In Idaho, Rural Development provided a \$1,314,200 guaranteed loan to Bear Lake Community Health Center. B&I funds will be used to purchase an existing building and complete interior improvements so that the location can be utilized as a health clinic. The project is expected to create 10 jobs and 114 jobs will be preserved in their 5 other clinic locations (tristate service area).

Rural Energy for America Program (REAP)

Current Activities:

In 2016, REAP funded 1,258 projects totaling \$295.4 million (\$37.2 million in grants and \$258.2 million in loan guarantees) with \$54.3 million in budget authority from mandatory and discretionary funding. \$1.9 million of the mandatory grant funds supported 26 Energy Audit and Renewable Energy Development Assistance Program of REAP projects. \$51.9 million of the mandatory funding supported 1,228 Renewable Energy System and Energy Efficiency Improvement projects with \$35.3 million in grants and \$250.7 million in loan guarantees. The discretionary funding, \$0.5 million in budget authority, supported four Renewable Energy System and Energy Efficiency Improvement projects with \$7.5 million in loan guarantees. When operational, the 2016 REAP projects are expected to generate/save approximately 2.3 million megawatt hours annually (enough to power approximately 217,000 average households.) REAP's \$54.3 million in budget authority leverage assisted 2,436 businesses leveraging total project cost of over \$900 million.

Selected Examples of Recent Progress:

WOF SW 1 GGP, LLC, was awarded a \$444,000 grant to construct an Anaerobic Digester that will produce 1.5 million MMBTU (1.5 trillion British thermal units annually) from cow manure, other fats and greases, and food waste. “Green” gas will be input directly into an adjacent pipeline under a contract with El Paso Natural Gas/Kinder Morgan, Inc. The project is expected to create 12 full-time jobs, have gross revenues of \$27.8 million, and will benefit the environment by converting waste to renewable energy.

The Sundry Store, Inc., a home improvement and household discount store in Etowah, TN, was awarded a \$15,565 grant to replace all of their fluorescent and incandescent lighting with a combination of 18 watt and 45 watt LED lighting for the sales floors, office areas, restrooms, and storage and stock rooms. The new lighting upgrades are expected to save the business \$13,676 annually. The project will save 136,766 kWh over the life of the project.

Intermediary Relending Program (IRP)

Current Activities:

The IRP lends money to economic development intermediaries (non-profits and public bodies) who re-lend it to rural businesses (ultimate recipients) that might not otherwise be able to obtain such financing. The program supports sustainable economic development and helps create or retain jobs in disadvantaged and remote communities. In 2016, IRP issued 31 loans totaling \$18.9 million to intermediaries to establish revolving loan funds to assist 642 businesses and to create or save 14,450 jobs.

Selected Examples of Recent Progress:

Ravalli County Economic Development Authority in Hamilton, MT, received a \$352,000 loan that will create and/or save 48 jobs. The Rural Development funds will be used to alleviate poverty and increase economic activity and employment in rural Ravalli County by providing loans to 11 initial ultimate recipients for business facilities and community development projects. **Rural Microentrepreneur Assistance Program (RMAP)**

Current Activities:

The RMAP program supports the development and ongoing success of rural microentrepreneurs and microenterprises that consist of 10 or less employees. Direct loans and technical assistance grants are made to select Microenterprise Development Organizations (MDOs), through a competitive grant program specified in regulation. In 2016, a total of \$8.8 million in loans was obligated to 23 RMAP applicants. The \$4.2 million in RMAP grants was provided to 78 applicants to support the development and ongoing success of rural microentrepreneurs and microenterprises.

Selected Examples of Recent Progress:

East Missouri Action Agency, Inc. received a \$200,000 loan and a \$50,000 grant to capitalize a Rural Microloan Revolving Loan Fund to make microloans to rural microentrepreneurs and microenterprises in eight counties in Southeast Missouri. This area is part of the Mississippi Delta which has historically been poverty stricken. This project will create 49 jobs over a five year period.

Midcoast Council of Governments (MCOG) received a \$500,000 loan and a \$105,000 grant to capitalize a Rural Microloan Revolving Fund for the purpose of making microloans to rural microentrepreneurs and microenterprises. Rural Development grant funds are being used to provide technical assistance and training to rural microentrepreneurs and microenterprises. MCOG services Maine’s Knox, Lincoln and Sagadahoc Counties, the towns of Brunswick and Harpswell in Cumberland County, and the towns of Belmont, Lincolnville, Northport and Searsport in Waldo County. MCOG’s mission is to improve economic opportunity for all persons

in the Midcoast Economic Development District region. To date, this project has successfully created 26 jobs, saved 96 jobs, and assisted 23 businesses in the aforementioned service areas.

Rural Economic Development Loan and Grant (REDLG) Program

Current Activities:

The REDLG program provides zero-interest loans to local utilities which, in turn, relend the funds to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The program funds business start-up, expansion, business incubators, education and training facilities and equipment, community development assistance, health care and other projects that support rural economic development.

In 2016, REDLG issued 54 loans totaling \$42.6 million creating or saving 3,160 jobs. In addition, 40 grants totaling \$10.9 million were made to qualifying utilities assisting 46 businesses and creating or saving 934 jobs.

Selected Examples of Recent Progress:

South Alabama Electric Cooperative received a \$1 million RED-Loan and a \$300,000 RED-Grant to be loaned to Brundidge Industrial Development Board for the purpose of constructing a 66,000 sq. ft., food processing facility be leased to Magnolia Vegetable Processors, LLC. The vegetable processing plant will specialize in pickling, including cucumbers, okra, peppers, green beans, pearl onions, baby corn and relish. Project created 60 new jobs.

Rural Business Development Grant (RBDG) Program

Current Activities:

RBDG provides grant to support towns, communities, State agencies, etc. in providing targeted technical assistance, training, and other activities leading to the development or expansion of small and emerging private businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues. Programmatic activities are separated into enterprise or opportunity type grant activities. RBDG awarded 449 grants totaling \$26.1 million and created or saved about 9,340 jobs. In total, these grants assisted 4,084 businesses in creating or saving 10,018 jobs.

Selected Examples of Recent Progress:

In South Dakota Sisseton Wahpeton Oyate Tribe received a \$188,100 Rural Business Development Grant for a market study to determine demand for value-added foods in the area and a feasibility study to help guide production of local foods.

Value Added Producer Grant (VAPG) Program

Current Activities:

The VAPG program helps agricultural producers grow their businesses by turning raw commodities into value-added products, expanding marketing opportunities and developing new uses for existing products. In 2016, the VAPG Program funded 329 grants for a total of \$45.9 million. These grants created or saved 3,587 jobs, assisted businesses and 5,890 farmers.

Selected Examples of Recent Progress:

Schilz Goose Farm, of Sisseton, South Dakota, received \$249,958 in working capital funds for costs associated with extracting goose egg yolks from the eggs. The yolks will provide biopharmaceutical companies a goose antibody for parvovirus to treat canines.

Delta BioRenewables, LLC, of Memphis, Tennessee, was awarded \$47,154 to assist with the conversion of sweet sorghum bagasse fiber, a low input, drought tolerant annual crop, to dried horse bedding, which will be marketed and sold in bulk to local stables.

Daily Farm Enterprises, of Star City, Indiana, received \$61,532 in planning funds to determine feasibility of producing the biosolvent butanol from sorghum and corn through ABE fermentation.

Jubilee Farms, LLC, of Tallahassee, Florida, received working capital funds of \$75,000 to assist with production and marketing costs associated with expanding the market for Jubilee Orchard's organic southern high bush blueberry juice and juice concentrate line "Jubilee Blues."

Agricultural Marketing Resource Center (AgMRC)

Current Activities:

AgMRC provides funding to maintain electronic national information on value added agriculture for producers, processors and service providers. In addition to supporting the value-added producer grant program, AgMRC provides a wealth of information on commodities and products including: agriculture-tourism, aquaculture, energy, forestry, fiber, grains and seeds. Additionally, AgMRC provides prospective value added producers with resources and information on markets and industries as well as tools to assist with developing feasibility studies and business plans. Through its website, AgMRC offers tips and information for agricultural producers looking to start a business, how to get prepared, and strategies and analysis for developing a successful business. The funds awarded provide the resources, research and other support to maintain the AgMRC website. Funding for 2016 was \$537,000, all of which was awarded.

Rural Cooperative Development Grants (RCDG) Program

Current Activities:

These centers work with and support new cooperative businesses. RCDG are awarded to non-profit groups and higher education institutions. The recipients will use the funds to operate centers to develop or expand rural businesses, especially cooperatives and mutually-owned businesses. The funding can be used to conduct feasibility studies, create and implement business plans, offer technical assistance, establish low-interest loans, and help rural businesses develop new markets for their products and services. In 2016 these centers assisted more than 710 small businesses and cooperatives create/or save more than 973 jobs. In 2016, grants totaling approximately \$5.8 million were made to 29 centers.

Selected Examples of Recent Progress:

The Rocky Mountain Farmers Union Education and Charitable Foundation in Denver, Colorado, received a \$200,000 grant to provide cooperative development training to beginning farmer cooperatives in Colorado, New Mexico and Wyoming. Project goals include mid-tier value chain development and land access education, outreach and training.

The Keystone Development Center, Inc. in Ephrata, Pennsylvania, received a \$200,000 grant to build and sustain regional food systems, provide technical assistance to environmentally sustainable cooperatives, and support worker cooperatives and business conversions to employee ownership. Funds will also be used to provide education and outreach with partner organizations within Pennsylvania, Maryland, Delaware, and New Jersey.

Appropriate Technology Transfer to Rural America (ATTRA)

Current Activities:

The ATTRA program, also called the National Sustainable Agriculture Information Service, provides sustainable agriculture information to those engaged in or serving commercial agriculture, such as farmers, ranchers, extension agents, farm organizations, and farm-based businesses. In 2016, \$2.5 million was obligated to fund ATTRA.

Selected Examples of Recent Progress:

The National Center for Appropriate Technology provides technical assistance, outreach, and education.

During 2016, NCAT specialists assisted clients 22,698 times with technical assistance materials. Farmers, ranchers, and agriculture educators across the country received information and technical assistance in situations including the process of transitioning to organic certification, starting a commercial composting business, and converting vegetable crops into a natural medicine recipe.

ATTRA specialists attended 50 workshops or conferences, where they gave presentations or met with producers, agriculture educators, or agriculture service industry representatives, and connected with a total of 19,474 attendees. NCAT/ATTRA offers veteran and beginning farmer training in a program called “Armed to Farm” which provides free training and hands-on education for veterans and their spouses. Training for 50 veterans was held in Lexington, Kentucky, in January, and 25 veterans completed training in June in Fayetteville, Arkansas. The program included participation from USDA sub-agencies, Rural Development, Farm Service Agency, National Resource Conservation Service, the Arkansas Dept. of Agriculture, Senator Boozman's office, and Congressman Womack's office.

NCAT, in partnership with the Farm Service Agency (FSA), hosted four, 2.5-day seminars titled, “Farm Foundations for Veterans” in Alabama. The seminars were free and open to active and non-active duty military veterans and spouses with less than 10 years of experience in agriculture.

Socially-Disadvantaged Producer Grants (SDGG) Program

Current Activities:

The SDPG program provides grants to cooperatives, groups of cooperatives, and cooperative development centers to provide technical assistance to small, socially disadvantaged producers. In 2016, the SDPG Program awarded \$3 million in grants to 18 organizations that created 259 jobs, assisted 1,849 businesses and assisted 350 farmers.

Selected Examples of Recent Progress:

Intertribal Agriculture Council in Billings, Montana, was awarded a \$175,000 grant to help small-scale producers expand markets and sales and to conduct a national feasibility study for American Indian foods.

Cooperativa De Agricultores Del Suroeste in Lajas, Puerto Rico, received a \$130,775 award to provide technical assistance to farmers and fishermen, including business plan development and safe food handling.

The California Center for Cooperative Development in Davis, California, was awarded a \$175,000 grant to deliver cooperative management training, develop organic systems and food safety plans, and help members develop and maintain affordable housing.

SCF-Organic Farms, Ltd., Sumter, South Carolina, received a \$175,000 grant to train socially-disadvantaged farmers how to grow vegetables and fruits using organic heritage and dry-farming methods.

RURAL BUSINESS-COOPERATIVE SERVICE

Summary of Budget and Performance
Statement of Department Goals and Objectives

The mission of the Rural Business-Cooperative Service (RBS) programs is "to enhance the quality of life for rural Americans by providing leadership in building competitive businesses including sustainable cooperatives that can prosper in the global marketplace."

The Department will be revising USDA Strategic Plan later in the Spring and expect to release it with the FY2019 President's Budget.

Key Performance Measures:

Number of Jobs Created and Saved							
	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Target	2018 Target
Rural Business-Cooperative Service**	52,468	44,419	41,202	52,697	50,175	39,764	0
Cost*	\$1,151,738	\$1,041,713	\$1,231,607	\$1,233,838	\$1,419,453	\$1,004,503	\$0
Allowable Data Range for Met: The tolerance range for the measure to be "met" is 5 percent.							
Completeness of Data --- The actual performance measures indicated above were verified by the state staff through 2014. The estimated numbers are calculated using the estimated appropriation for each year.							
Reliability of Data --- The agency utilizes a calculation spreadsheet each year to project performance measurements.							
Quality of Data --- The information is received from the borrower/grantees that are awarded funds. The agency has enhanced its guidance to the field staff regarding how jobs created and saved and businesses assisted should be determined and recorded in the agency's tracking system where the information is extracted. This guidance provides consistency for all programs.							

*Amounts in thousands

**The programs summarized in the table include: B&I, RBDG, Delta regional grants, Rural Child Poverty, HFFI, IRP, RBIP, RMAP, and all Cooperative Program grants. REDLG are not included in the Cost, as the funding is from the cushion of credit. However the job numbers include REDLG activities.